

RECORDATION NO. 23765-J FILED

AUG 12 '03

2-00 PM

VIA UPS NEXT DAY AIR

August 11, 2003

FIRST UNION RAIL

One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

Tel 847.318.7575
Fax 847.318.7588

Mr. Vernon E. Williams
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) originals and one (1) copy of a Amendment No. 1 to Memorandum of Lease Agreement dated October 15, 2002, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Commission under Recordation number 23765.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Canadian National Railway Company
935 de La Gauchetiere St. West
Montreal, Quebec H3B 2M9
Canada

A description of the railroad equipment covered by the enclosed document is (150) 50' 6" plug door cushioned draft gear boxcars with CN and CNA marks (see Exhibit A for numbers).

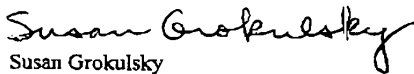
A short summary of the document to appear in the index follows:

Amendment No. 1 to Memorandum of Lease covering substitution of cars within group of (150) 50' 6" plug door cushioned draft gear boxcars marked CN and CNA (see Exhibit A for car numbers).

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5355. Thank you for your cooperation in this matter.

Very truly yours,


Susan Grokulska
Manager of Documentation

Enclosures

(CN026/026A)

AMENDMENT NO. 1 TO MEMORANDUM OF LEASE

THIS AMENDMENT NO. 1 TO MEMORANDUM OF LEASE (the "Amendment to Memorandum") is made and entered into as of this the 15th day of October, 2002 by and between the Montreal branch of First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Canadian National Railway company ("Lessee"), a Canadian corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of June 16, 1994, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 2 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto; and

A Memorandum of Lease Agreement evidencing such Rider No. 2 (and the Lease) (the "Memorandum") was deposited at the Registrar General of Canada pursuant to Section 105 of the *Canada Transportation Act* on November 9, 1995 at 10:00 a.m.

NOW THEREFORE, the Lessor and Lessee, for good and valuable consideration, agree that:

- a) The Memorandum is hereby amended by deleting the car marks and numbers specified therein and substituting Exhibit A to this Amendment of Memorandum therefor:
- b) Except as amended hereby, the terms and conditions of the Memorandum remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have each caused this Amendment to Memorandum of Lease to be duly executed by their respective officers duly authorized as of the date and year first above written.

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SURFACE TRANSPORTATION BOARD

LESSOR:

FIRST UNION RAIL CORPORATION

NAME: Susan A. Barrie

TITLE: Regional Vice President, Sales

SIGNATURE: 

PROVINCE OF QUEBEC


DISTRICT OF MONTREAL

I, Danielle Lord, a Commissioner of Oaths of the Province and District aforesaid, certify that Susan A. Barrie personally appeared before me on July 28, 2003 and acknowledged her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 28th day of July, 2003.

My Commission Expires:

May 28, 2004


Commissioner of Oaths




LESSEE:

CANADIAN NATIONAL RAILWAY COMPANY

NAME: John A.N. Lamont

TITLE: Senior Manager – Asset Finance

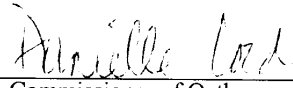
SIGNATURE: 

PROVINCE OF QUEBEC

DISTRICT OF MONTREAL

I, Danielle Lord, a Commissioner of Oaths of the Province and District aforesaid, certify that John A.N. Lamont personally appeared before me on July 28, 2003 and acknowledged her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 28th day of July, 2003.


Commissioner of Oaths



My Commission Expires:

May 28 2004

EXHIBIT A – AMENDMENT NO.1 TO MEMORANDUM OF LEASE

NO. OF CARS: One hundred fifty (150)

DESCRIPTION OF CARS: 50'6" Plug Door Cushioned Draft Gear Boxcars

CAR NUMBERS:

CN	406500	CN	406531	CN	406564	CN	406597	CN	406629
CN	406501	CN	406532	CN	406565	CN	406598	CN	406630
CN	406502	CN	406533	CN	406566	CN	406599	CN	406631
CN	406503	CN	406534	CN	406567	CN	406600	CN	406632
CN	406504	CN	406535	CN	406568	CN	406601	CN	406633
CN	406505	CN	406536	CN	406569	CN	406602	CN	406634
CN	406506	CN	406537	CN	406570	CN	406603	CN	406635
CN	406507	CN	406538	CN	406572	CN	406604	CN	406636
CN	406508	CN	406539	CN	406573	CN	406605	CN	406637
CN	406509	CN	406540	CN	406574	CN	406606	CN	406638
CN	406510	CN	406541	CN	406575	CN	406607	CN	406639
CN	406511	CN	406542	CN	406576	CN	406608	CN	406640
CN	406512	CN	406543	CN	406577	CN	406609	CN	406641
CN	406513	CN	406544	CN	406578	CN	406610	CN	406642
CN	406514	CN	406545	CN	406579	CN	406611	CN	406643
CN	406515	CN	406546	CN	406580	CN	406612	CN	406644
CN	406516	CN	406547	CN	406581	CN	406613	CN	406645
CN	406517	CN	406548	CN	406582	CN	406614	CN	406646
CN	406518	CN	406549	CN	406583	CN	406615	CN	406647
CN	406519	CN	406550	CN	406584	CN	406616	CN	406648
CN	406520	CN	406551	CN	406585	CN	406617	CN	406649
CN	406521	CN	406552	CN	406586	CN	406618	CNA	406273
CN	406522	CN	406553	CN	406588	CN	406619	CNA	406274
CN	406523	CN	406554	CN	406589	CN	406620	CNA	406275
CN	406524	CN	406555	CN	406590	CN	406621	CNA	406276
CN	406525	CN	406556	CN	406591	CN	406622	CNA	406277
CN	406526	CN	406557	CN	406592	CN	406623	Count:	150
CN	406527	CN	406560	CN	406593	CN	406624		
CN	406528	CN	406561	CN	406594	CN	406626		
CN	406529	CN	406562	CN	406595	CN	406627		
CN	406530	CN	406563	CN	406596	CN	406628		